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Security Information

31 August 1953

MEMORANDUM FOR: CPP

SUBJECT: PSB Staff Meeting, 31 August 1953

1. Item One: I sent a draft revision to your office this morning. This draft revision contains JCS and CIA changes. Under the new regulations, a financial statement will accompany the paper when it is sent to NSC. It was announced that USIA will not be ready with its statement on time.

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2. Item Two: [redacted] stressed again that the Board will have to pass on this paper at its 16 September meeting. The NSC gets it on 17 September. Mr. Phillips announced that CIA would get the State summary today. I announced that Mr. Amory hoped to have a draft ready the latter part of this week.

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On Wednesday, [redacted] will discuss with the Board the procedures to be followed in developing section g of the "Prestige" paper. (for your convenience, I attach copy of the outline the paper is to follow. Please return to me).

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[redacted] asked for nominations from the respective agencies to sit on a PSB panel which will write up section g of the paper. Codel nominated Lee Hargus. I told [redacted] to call Mr. Amory and ask him to nominate the CIA member. Mr. Morgan felt Mr. Amory himself might wish to sit on the panel.

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[redacted] thought it would be of value to Mr. Amory to know that Mr. Robert Lovett and Mr. Frank Nash have stated that they do not believe U.S. prestige abroad has dropped. Joe Phillips said Alain Stevenson had also been quoted as saying U.S. prestige abroad is high and that it has not declined. (Someone remarked he had read Stevenson quotations going the other way).

3. Item Three: General Smith will propose acceptance of the merger in principle. Mr. Phillips read from a paper which he will give to PSB for dissemination later today. It gives State's position. I couldn't get it now because Joe wished to check it in State to see if any changes were required. I will carry it up to you soon as I can get a copy.

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Godel said that if the State proposal will produce a paper on which action can be taken, he is all for it; that WIS is now so broad it "should be married up and thus get some backstopping."

FOA said it looks okay to them.

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[redacted] said he had individually polled CIA people on the two groups and they were for it. I told him Mr. Burness indicated acquiescence too.

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Important Note: This morning I had a call from [redacted] and he told me he had certain reservations on the merger of D-40 and D-45. Did not have time to visit with him but as soon as I get copy of the State paper, I will show it to him. Meanwhile, I suggest CPP office call him and discuss it.

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4. Item Four: [redacted] states he will tell the Board what he has been advised by the various representatives. He states they are overwhelmingly affirmative. He will then ask the Board if their latest view checks with what he will have just told them.

5. Other Business

a. Joe Phillips says State will wish to discuss the question of POWs who do not want to come back. Godel stated Defense proposes the hell with the so & sos, they do not want to return and that's that. Phillips asked what will be told those POWs who inquire about punishment. Godel stated this was still unresolved. For those who do not ask for a guarantee against punishment, nothing can be done.

b. Godel says Defense would like to have discussed its proposed White Paper countering Red propaganda about the "good treatment" the UN POWs received.

c. State's GDR desk would like to see the Berlin food program converted into a long-range program. (In this connection, how about the John [redacted] paper on "Food Depots along Zonal Boundaries," dated 11 August 1953? [redacted] called me to pick up and hold this paper until needed. The subject did not come up on 12 August because there was no meeting that day. Conceivably under the GDR/State proposal, food depots will come up for discussion again. I, therefore, propose to pass the [redacted] paper — already approved by CPP — to the DCI shop tomorrow under this subject along with my regular briefing. Do you concur? For your convenience I attach the [redacted] paper hereto. Please return to me.)

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6. Miscellaneous: These will not be on the agenda:

(a) [redacted] in Moscow via a Christmas Cactus. This should not necessarily be limited to food, Morgan feels. The Staff agreed that a special panel should be set up with a representative from each agency. I agreed this was best way of handling the matter. What do you recommend to represent CIA?

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I promised to call Johnston or Morgan fairly soon and name our man. Godel says Defense would like to see all major commands hold open house and give away stuff. [redacted] stated this was a special package but Godel stated he will pass it along to the above-mentioned special panel when it is formed.

b. Joe Phillips facetiously asked who had authorized the two clergymen to drop bibles behind the iron curtain. No one pleaded guilty.

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Enclosures:

NSC Action 867 dtd 30 July 53
Memo to DCI dtd 11 Aug 53
Agenda

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Distribution

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